

**Assembly Bill No. 2159**

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Passed the Assembly    August 31, 2000

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*Chief Clerk of the Assembly*

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Passed the Senate    August 30, 2000

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2000, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

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## CHAPTER \_\_\_\_\_

An act to amend Sections 69618.1, 69618.2, and 69618.3 of the Education Code, relating to student financial aid.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2159, Robert Pacheco. Student financial aid: Graduate Assumption Program of Loans for Education.

Existing law establishes a Graduate Assumption Program of Loans for Education, under which an applicant who has completed a baccalaureate degree program or who is enrolled in an academic program leading to a graduate level degree, and who agrees, upon graduation, to teach full-time at a California college or university, is eligible to receive a conditional warrant for loan assumption, to be redeemed by the Student Aid Commission when that person has received a graduate degree from an accredited California institution and is employed as a full-time teacher at a California college or university.

This bill would allow a California resident who attends an eligible school or college outside the state, a person enrolled in an academic program leading to a baccalaureate level degree, and a person who is enrolled in an academic program on at least a half-time basis, to be an applicant for the Graduate Assumption Program of Loans for Education. The bill would specify that a program participant who teaches on less than a full-time basis may qualify for prescribed levels of loan assumption by teaching for periods that are equivalent to specified periods of full-time teaching.

*The people of the State of California do enact as follows:*

SECTION 1. Section 69618.1 of the Education Code is amended to read:

69618.1. (a) Program participants shall meet all of the following eligibility criteria prior to selection in the



program and shall continue to meet these criteria, as appropriate, during the payment periods:

(1) The participant shall be a United States citizen or eligible noncitizen.

(2) The participant shall be a California resident attending an eligible school or college.

(3) The participant shall be making satisfactory academic progress.

(4) The participant shall have complied with United States Selective Service requirements.

(5) The participant shall not owe a refund on any state or federal educational grant or have delinquent or defaulted student loans.

(b) Any person enrolled in an institution of postsecondary education and participating in the loan assumption program set forth in this article may be eligible to receive a conditional warrant for loan assumption, to be redeemed pursuant to Section 69618.2 upon becoming employed as a full-time faculty member at a California college or university or the equivalent of full-time service as a faculty member employed part-time at two or more California colleges or universities.

(c) (1) The commission shall award warrants to students with demonstrated academic ability and financial need, as determined by the commission pursuant to Article 1.5 (commencing with Section 69503).

(2) The applicant shall have completed a baccalaureate degree program or be enrolled in an academic program leading to a baccalaureate level or a graduate level degree.

(3) The applicant shall be currently enrolled in or admitted to a program in which he or she will be enrolled on at least a half-time basis each academic term as defined by an eligible institution. The applicant shall agree to maintain satisfactory academic progress.

(4) The applicant shall have been judged by his or her postsecondary institution to have outstanding ability on the basis of criteria that may include, but need not be limited to, any of the following:

(A) Grade point average.



- (B) Test scores.
- (C) Faculty evaluations.
- (D) Interviews.
- (E) Other recommendations.

(5) In order to meet the costs of obtaining a graduate degree, the applicant shall have received, or be approved to receive, a loan under one or more of the following designated loan programs:

(A) The Federal Family Education Loan Program (20 U.S.C. Sec. 1071 et seq.).

(B) Any loan program approved by the commission.

(6) The applicant shall have agreed to teach on a full-time basis at one or more accredited California colleges or universities for at least three consecutive years after obtaining a graduate degree.

(7) An applicant who teaches on less than a full-time basis may participate in the program, but is not eligible for loan repayment until that person teaches for the equivalent of a full-time academic year.

(d) A person participating in the program pursuant to this section shall not receive more than one warrant.

SEC. 2. Section 69618.2 of the Education Code is amended to read:

69618.2. The commission shall redeem an applicant's warrant and commence loan assumption payments as specified in Section 69618.3 upon verification that the applicant has fulfilled all of the following:

(a) The applicant has received a graduate degree from an accredited, participating institution.

(b) The applicant has provided the equivalent of full-time instruction at one or more regionally accredited California colleges or universities for one academic year or the equivalent.

(c) The applicant has met the requirements of the warrant and all other conditions of this article.

SEC. 3. Section 69618.3 of the Education Code is amended to read:

69618.3. The terms of the loan assumptions granted under this article shall be as follows, subject to the specific terms of each warrant:



(a) After a program participant has completed one academic year, or the equivalent of full-time teaching, at one or more regionally accredited, eligible California colleges or universities, the Student Aid Commission shall assume up to two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs. The initial year of eligible teaching shall begin within 10 years of receiving an initial conditional warrant from the commission.

(b) After the program participant has completed two consecutive academic years, or the equivalent of full-time teaching, at one or more regionally accredited California colleges or universities, the commission shall assume up to an additional two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to four thousand dollars (\$4,000).

(c) After a program participant has completed three consecutive academic years, or the equivalent of full-time teaching, at one or more regionally accredited California colleges or universities, the commission shall assume up to an additional two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to six thousand dollars (\$6,000).

Approved \_\_\_\_\_, 2000

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*Governor*

